

BUSINESS ENTITIES VIDEO SERIES, Script Five
LIMITED LIABILITY PARTNERSHIP

A **limited liability partnership** is a partnership in which a partner's personal assets are shielded from claims for negligence, malpractice or other wrongful acts committed by other partners or the employees those partners directly supervise.

- A limited liability partnership does not shield partners against the partner's own acts, omissions or other partnership obligations.
- Each limited liability partnership must have and maintain a registered office that may or may not be a place of business in Kansas.
- Additionally, each limited liability partnership must have and maintain in the State of Kansas a resident agent which may be an individual or a domestic or foreign business entity, such as a corporation, a limited partnership, a limited liability company, a business trust authorized to do business in this state, or the limited liability partnership itself.
- Registration with the Office of the Secretary of State is required.
- The fee is \$165 for paper filing both for domestic and foreign businesses, and electronic filing is not available.
- Interests in the limited liability partnership may be required to be registered with the Office of the Securities Commissioner.

Limited liability partnerships have certain **advantages**.

- Investors have liability limited to their respective investments in the partnership.
- The limited liability partnership is a separate entity and may sue and be sued, own property, protect its partners from unlimited liability, raise capital by selling interest in the partnership, borrow money and exist independently of its partners' mortality.
- The limited liability partnership does not have to be reformed every time a partner dies.
- The limited liability partnership can be perpetual.

Limited liability partnerships have certain **disadvantages**.

- They require advanced accounting, and
- Annual Reports must be made to the Office of the Secretary of State.

This is the fifth of eight business entity videos created by the Office of the Kansas Secretary of State. The first is an introduction to the series, and the remaining seven videos each target a specific type of business organization. Each video provides a brief description of the business entity type, its registration requirements, and the advantages and disadvantages of its structure.

I'm Kansas Secretary of State Kris Kobach, wishing you success in your new business venture. For further assistance, please visit www.sos.ks.gov or call (785) 296-4564.